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## EXTRAORDINARY PART II—Section 2 PUBLISHED BY AUTHORITY

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### LOK SABHA

The following Bills were introduced in Lok Sabha on the 7th  
September, 1964:—

BILL No. 53 OF 1964

*A Bill further to amend the Companies Act, 1956.*

BE it enacted by Parliament in the Fifteenth Year of the  
Republic of India as follows:—

1. This Act may be called the Companies (Amendment) Act, 1964. Short  
title.
2. After section 635A of the Companies Act, 1956, the following Insertion  
of new  
sub-head-  
ing and  
section  
after  
section  
635A of  
Act 1 of  
1956.  
5 sub-heading and section shall be inserted, namely:—  

*“Temporary Protection of Employees*

635B. (1) If—

(a) during the course of any investigation of the affairs investiga-  
tion by  
Inspector  
or pend-  
ency of  
proceeding  
before  
Tribunal  
in certain  
cases.  
and other matters of or relating to a company, body or  
person under section 235, section 237 or section 239 or of the  
membership and other matters of or relating to a company,  
or the ownership of shares in or debentures of a company  
or body corporate, or the affairs and other matters of or  
relating to a company, body or person, under section 247,  
section 248 or section 249; or

(b) during the pendency of any proceeding against any person concerned in the conduct and management of the affairs of a company under Chapter IVA of Part VI, such company, body or person proposes—

(i) to discharge, or

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(ii) to punish, whether by dismissal, removal, reduction in rank or otherwise,

any employee, the company, body or person, as the case may be, shall send by post to the Company Law Board previous intimation in writing of the action proposed against the employee and if the Company Law Board has any objection to the action proposed, it shall send by post notice thereof in writing to the company, body or person concerned.

(2) If the company, body or person concerned does not receive within thirty days of the sending of the previous intimation of the action proposed against the employee, any notice of the objection from the Company Law Board, then and only then, the company, body or person concerned may proceed to take against the employee the action proposed.

(3) If the company, body or person concerned is dissatisfied with the objection raised by the Company Law Board, it may, within thirty days of the receipt of the notice of the objection, prefer an appeal to the Tribunal in the prescribed manner and on payment of the prescribed fee.

(4) The decision of the Tribunal on such appeal shall be final and be binding on the Company Law Board and on the company, body or person concerned.

(5) For the removal of doubt, it is hereby declared that the provisions of this section shall have effect without prejudice to the provisions of any other law for the time being in force."

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Repeal  
and  
saving.

3. (1) The Companies (Amendment) Ordinance, 1964 is hereby repealed.

2 of 1964.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act, as if this Act had commenced on the 5th day of July, 1964.

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## STATEMENT OF OBJECTS AND REASONS

Investigations of the affairs, true ownership and other related matters, of companies cannot be effectively conducted unless there is full disclosure by their employees of factual information in regard to various matters to be scrutinised by the Inspectors appointed by the Central Government. In order to give to the employees of the affected companies temporary protection against victimisation in such cases it has been considered necessary to make a suitable provision in the Companies Act that no company can discharge or take any other action against any of its employees during the investigation of its affairs and true ownership, etc., by Inspectors or during the pendency of proceedings against any of its managerial personnel before the Tribunal, unless it has given previous intimation to the Company Law Board of the proposed action against the employees and the Company Law Board has not raised any objection to such action.

As it was apprehended that some of the companies whose affairs were under investigation might take action against their employees if they disclosed full information to the Inspectors, the amendment of the Companies Act on the lines indicated above was considered to be a matter of extreme urgency and the Companies (Amendment) Ordinance, 1964 was therefore, promulgated by the President on the 5th July, 1964. The present Bill seeks to replace the said Ordinance without any modification in the provisions thereof.

NEW DELHI;  
*The 13th August, 1964.*

T. T. KRISHNAMACHARI.

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Sub-section (3) of the new section 635B empowers the Central Government to make rules providing for the manner in which, and the fee on payment of which, an appeal may be preferred to the Tribunal under that section. The matters in respect of which such rules may be made are matters of procedure or administrative detail. The delegation of legislative power is thus of a normal character.

BILL No. 54 OF 1964

*A Bill further to amend the Representation of the People Act, 1950, and the Representation of the People Act, 1951.*

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Representation of the People (Amendment) Act, 1964. Short title.

5 2. In section 20 of the Representation of the People Act, 1950— Amendment of section 20 of Act 43 of 1950.  
 (a) in sub-section (3),—

(i) after the words “A member of the armed forces of the Union”, the words “or, a member of an armed police force of a State who is serving outside that State,” shall be inserted;

10 (ii) after the words “in the armed forces”, the words “or, as the case may be, in that armed police force” shall be inserted;

15 (b) in sub-section (5), after the words “armed forces”, the words “or, as the case may be, the armed police force” shall be inserted.

3. In section 60 of the Representation of the People Act, 1951, in sub-clause (i) of clause (a), after the words “armed forces of the Union”, the words “or, as the case may be, of an armed police force of a State,” shall be inserted. Amendment of section 60 of Act 43 of 1951.

## STATEMENT OF OBJECTS AND REASONS

A member of the Armed Forces of the Union is, by virtue of section 20(3) of the Representation of the People Act, 1950, deemed to be ordinarily resident in his home constituency and, therefore, is eligible for registration as a voter in the electoral roll for such constituency, although on account of exigencies of service he may be away from, and not ordinarily resident in, the home constituency at the time of the preparation or revision of the electoral roll. As a corollary to this, a member of the Armed Forces of the Union is, by virtue of section 60 of the Representation of the People Act, 1951, entitled to give his vote by postal ballot.

2. Such facilities are not, however, available to the members of the Armed Police Forces of a State, when they are employed on duty outside the State. This is anomalous. It is proposed to remove this anomaly by bringing such members of the Armed Police Forces of a State on a par with the members of the Armed Forces of the Union.

3. The Bill seeks to achieve this object by amending section 20 of the Representation of the People Act, 1950 and section 60 of the Representation of the People Act, 1951.

NEW DELHI;  
*The 27th August, 1964.*

A. K. SEN.

S. L. SHAKDHER,  
*Secretary.*